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DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

Supervisor JA

Inspection Report Minerals Regulatory Program Report Date: October 14, 2004

Mine Name: Lisbon Valley

Operator or Permittee Name:
SUMMO USA

Permittee Mailing Address:
1776 Lincoln Str., Ste. 900, Denver, CO 80203

Inspector(s): Paul Baker

Other Participants: Chuck Bauer. Other employees were also present.

Permit Status: Active

Current Acreages:

Total Permitted (Bonded): 19

Total Disturbed: Exact acreage not known; probably about 15 acres disturbed

Permit number: M/037/088

Inspection Date: October 5, 2004

Weather: Mostly cloudy, 50's

Inspection Start Time: 3:15 PM

Inspection End Time: 5:30 PM

Site location/Area Inspected (i.e. Pit #):

Exploration and water wells near the Centennial and Sentinel Pits.

Surface Ownership: Fee, SITLA, BLM

Mineral Ownership: Fee, SITLA, BLM

Mineral Mined: Copper

Type of Mine: Surface

Elements of Inspection	Evaluated	N/A	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Public Safety (open shafts, adits, trash, signs, highwalls)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Protection of Drainages	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Explosives, magazines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Deleterious Material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Roads (maintenance, surfacing, dust control, safety)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Concurrent Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Erosion Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Demolition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Backfilling and Grading (trenches, pits, roads, highwalls, shafts, drill holes)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Water Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Soils	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Air Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Purpose of Inspection:

I wanted to look at the exploration work being done.

Inspection Date: October 5, 2004; Report Date: October 12, 2004

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Inspection Summary:

13. Revegetation

It is now late enough in the season that seeding could be done any time. It should not be delayed later than about December 1. Mr. Bauer and I discussed seedbed preparation methods. The surface should be left very rough, and seed should be spread as soon as possible after the surface has been prepared. Photo 1 shows the roughness at a site in Price Canyon. This type of surface preparation has been extremely successful.

15. Other

I used a GPS unit to map the locations of four wells, and there are two piezometers near one of the wells. A copy of the map I created from this data is attached to this report.

Wells PW3 and PW4 have been drilled recently, and according to Mr. Bauer, they are on sites C-5 and S-5 as proposed July 14, 2000. PW4 is not on the exact location of S-5, but Mr. Bauer said it was done this way to take advantage of disturbances already created by installation of the two piezometers 98R3 and 98R8. The piezometers and wells are shown in Photos 2-4.

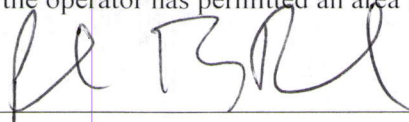
While I was at the site, the operator was taking water samples at MW97-12. I did not take a water sample from this well, but the water appeared unusually cloudy for ground water. Mr. Bauer suggested something may have hit the bottom of the well to stir up sediment.

The approval for the most recent group of exploration holes says \$46,023 is still set aside for reclamation of water supply and monitoring wells. As close as I can calculate, the cost for reclaiming the existing wells is about \$14,841.77. Therefore, there is still about \$31,000 in bond money the Division holds for disturbances that have yet to be created.

I looked at several of the exploration holes that have been drilled in the area of the Centennial Pit, and all of these holes appeared to have been plugged. I found two holes that appeared to have been drilled some time ago, and these were not plugged except with pieces of 6 X 6 wood. I do not believe these holes are SUMMO's responsibility, but the Division would appreciate SUMMO reclaiming them if they have the opportunity. These holes were marked CD8 and CD53. It took about three seconds for a rock to hit the bottom of CD53, but it was at least 15 seconds before it hit the bottom of CD8.

Since the last inspection, the operator has permitted an area for storing the crusher. This area is shown in Photo 5.

Inspector's Signature



Date: October 14, 2004

PBB:jb

Enclosures: photos, GPS map

cc: Greg Hahn, Summo
Frank Bain, Moab BLM
Will Stokes, SITLA

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ATTACHMENT
Photographs

M/037/088, Lisbon Valley Copper Mine, SUMMO USA

Inspection Dated: October 5, 2004 ; Report Dated: October 14, 2004



Photo 1. Reclaimed area at the Willow Creek Mine in Price Canyon. Note the roughness and the amount of surface rock.



Photo 2. Piezometer 98R3.



Photo 3. Well PW4 and piezometer 98R8.



Photo 4. Well PW3 next to the Lisbon Valley Road.



Photo 5. Crusher laydown area seen from the Sentinel Pit.